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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

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Arizona Corporation Commission

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In the matter of:

SOUTHWEST BIOFUELS, LLC, a Nevada limited liability company, and

RICK J. JIMINEZ and SUSAN C. JIMINEZ, husband and wife,

Respondents.

DOCKET NO. S-20834A-12-0033

THIRD
PROCEDURAL ORDER
(Schedules Hearing)

BY THE COMMISSION:

On January 30, 2012, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Temporary Order to Cease and Desist ("T.O.") and a Notice of Opportunity for Hearing ("Notice") against Southwest Biofuels, LLC ("SWB"), a Nevada limited liability company, and Rick J. Jiminez and Susan C. Jiminez, husband and wife, (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of stock.

Respondent spouse, Susan C. Jiminez, was joined in the action for the purpose of determining the liability of the marital community pursuant to A.R.S. §44-2031(C).

The Respondents were duly served with copies of the T.O. and Notice.

On February 17, 2012, Respondents filed a request for hearing in this matter.

On February 21, 2012, by Procedural Order, a pre-hearing conference was scheduled on March 14, 2012.

On March 14, 2012, at the pre-hearing conference, the Division and Respondent, Rick J. Jimenez, appeared with counsel. The Division and Respondents were discussing the issues raised by the T.O. and Notice. The Division requested that a status conference be scheduled in approximately 30 days.

1 On March 15, 2012, by Procedural Order, a status conference was scheduled on April 26,
2 2012.

3 On April 26, 2012, at the status conference, the Division and Respondents appeared through
4 counsel. The Division's counsel indicated that the parties are continuing to negotiate a settlement of
5 the proceeding, but more time will be required for a resolution of the issues raised by the Notice. The
6 Division and Respondents agreed that a hearing should commence on July 23, 2012 if a settlement
7 cannot be reached.

8 Accordingly, a hearing should be scheduled.

9 IT IS THEREFORE ORDERED that a **hearing** shall be held on **July 23, 2012, at 10:00 a.m.**,
10 at the Commission's offices, 1200 West Washington Street, **Hearing Room No. 1**, Phoenix, Arizona.

11 IT IS FURTHER ORDERED that the parties shall also set aside **July 24, 25, 26 and 27,**
12 **2012, for additional days of hearing**, if necessary.

13 IT IS FURTHER ORDERED that the **Division and Respondents shall exchange copies of**
14 **their Witness Lists and copies of their Exhibits by June 1, 2012**, with courtesy copies provided to
15 the presiding Administrative Law Judge.

16 IT IS FURTHER ORDERED **that if the parties reach a resolution of the issues raised in**
17 **the Notice prior to the hearing, the Division shall file a Motion to Vacate the proceeding.**

18 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
19 Communications) is in effect and shall remain in effect until the Commission's Decision in this
20 matter is final and non-appealable.


21 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
22 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission
23 *pro hac vice*.

24 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance
25 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
26 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances
27 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is
28 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the

1 Administrative Law Judge or the Commission.

2 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,
3 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by
4 ruling at hearing.

5 DATED this 26th day of April, 2012.


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8 
9 MARC E. STERN
ADMINISTRATIVE LAW JUDGE

10
11 Copies of the foregoing mailed/delivered
this 26th day of April, 2012 to:

12 Nathaniel H. Wadsworth
13 ROWLEY CHAPMAN BARNEY &
BUNTROCK, LTD.
14 63 East Main Street, Suite 501
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15 Attorney for Respondents

16 Matt Neubert, Director
Securities Division
17 ARIZONA CORPORATION COMMISSION
1300 West Washington Street
18 Phoenix, AZ 85007

19 ARIZONA REPORTING SERVICE, INC.
2200 North Central Avenue, Suite 502
20 Phoenix, AZ 85004-1481

21 By: 
22 Debra Broyles
23 Secretary to Marc E. Stern
24
25
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27
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